

TAKE A FRESH LOOK



WASHINGTON, D.C.

A GLOBAL FINANCIAL SERVICES GATEWAY

GOVERNMENT OF THE DISTRICT OF COLUMBIA
DEPARTMENT OF INSURANCE AND SECURITIES REGULATION

www.disr.washingtondc.gov



Washington, D.C. – The District of Columbia – The Nation's Capital – One of the most politically powerful cities in the world – A center for offices representing companies from throughout the nation and around the globe – Home to hundreds of national and international associations representing industry, trade, professions and citizen interest groups – A global crossroads for diplomats, political leaders and world financial and business leaders.

A GREAT PLACE TO DO BUSINESS!



A WORLD-CLASS CITY

Washington, D.C., a world-class city, offers unparalleled opportunities to business organizations. The city boasts a multifaceted economy tied to national and international markets, a well-educated and highly skilled workforce and a strong business infrastructure of banks, law firms, accounting firms, and consulting and research institutions.

- Under Mayor Anthony Williams, the District of Columbia is enjoying an economic resurgence and a vibrant business environment. Washington is the third largest downtown office market in the country, after New York and Chicago. A 1999 survey by the Association of Foreign Investors in Real Estate ranked the city as the nation's second greatest investment opportunity, exceeded only by New York City. Metropolitan Washington is home to hundreds of companies and is now at the center of the largest concentration of high tech businesses in the United States.
- Washington, D.C. is served by an integrated system of highways, rail and subway transportation. Three major airports provide daily non-stop flights to and from over 100 U.S. cities and 30 foreign countries.
- Dozens of first class hotels, hundreds of restaurants, and a host of unique museums and cultural facilities make Washington a truly pleasant place for your business operations.
- Washington, D.C. is an address recognized around the globe.



GATEWAY FOR INSURANCE AND FINANCIAL SERVICES

A Friendly Responsible Regulatory System

The District of Columbia Department of Insurance and Securities Regulation (DISR) is committed to providing a solid regulatory framework for national and international financial service companies carrying out business from Washington, D.C. DISR offers positive, no nonsense regulation, and quick, efficient regulatory approval processes. DISR personnel pride themselves on accessibility, professionalism and proactive relations with insurance and securities companies and consumers alike. DISR is fully accredited by the National Association of Insurance Commissioners (NAIC).



Progressive Laws

A progressive legislative package introduced by the Mayor and approved by the City Council in the 2000 session demonstrates the city's commitment to the growth of insurance and other financial service industries in the nation's capital.

Captive Insurance Company Act of 2000: A state-of-the-art law which allows insurers to reach one of the unique market opportunities in the country -- the thousands of national and international associations located in the District.

U.S. Branch Domestication Act of 2000: Allows a non-U.S. company to become licensed in the District of Columbia and then, as long as it maintains its base of U.S. operations in D.C., to be treated as a D.C. domiciled insurance company for the purpose of obtaining licenses and doing business in other states.

D.C. Insurer and Health Maintenance Organization Self-Certification Act of 2000: A progressive step to allow companies an alternative way to become licensed to sell insurance in D.C. through certification by an independent, department-approved organization.



Other important legislative enhancements include: Insurer Confidentiality and Information Sharing Amendment Act of 2000, Securities Act of 2000, Surplus Note Amendment Act of 2000, and Reinsurance Credit and Recovery Amendment Act of 2000.

Demutualization Act: Washington, D.C. also has a demutualization act, which addresses the growing trend of mutual insurance companies to convert to stock companies. The D.C. law is widely seen as the best in the country and has been imitated by many states.

More Business Development Legislation is Coming!

The District of Columbia's legislative agenda will continue to adapt to the changing markets of insurance and financial services. DISR is poised to take advantage of the new federal laws which break down the barriers between insurance, banking and securities. DISR is in a strong position as regulator of two of these industries to be a leader. Our future legislative agenda will include: *Model Investments Law, Electronic Insurance Commerce Act, and D.C. Enterprise Zone Tax Incentives.*



NATIONAL AND INTERNATIONAL ROLE

DISR plays an active role in the development of efficient insurance supervision and the elimination of regulatory red tape. DISR participates in the National Association of Insurance Commissioners (NAIC) and the International Association of Insurance commissioners (IAIS). DISR is a strong voice on the Speed to Market and Privacy working groups. DISR believes financial service companies should be able to compete with the fewest possible regulatory restrictions so as to better serve their customers.

A World Market Gateway

Washington, D.C. is a perfect environment for insurers and reinsurers from outside the country who want to operate in the U.S. market and for insurers from the U.S. (and abroad) who want to operate in other countries. Efficient procedures, experienced international development-oriented regulatory personnel are part of the picture. Equally important – reasonable capital and reserve requirements, progressive file and use product rules and a willingness to consider reciprocal home jurisdiction resources.

DISR is building a network of relations with other national jurisdictions to speed response to international opportunities by companies domiciled in Washington, D.C. Of course there is Washington's global orientation, its multinational business environment and its enormous resources of strategic business information from national trade associations and federal agencies. All combine to make Washington, D.C. a natural launching pad for state of the art financial service business ventures around the globe.

BUSINESS INCENTIVES

Gross Premium Tax

The District of Columbia assesses only a 1.7% of gross premium tax on insurers.

Enterprise Zone

The District's Enterprise Zone makes the District of Columbia an attractive location for new businesses. Between January 1, 1998 and December 31, 2002, businesses may claim at least \$1.2 billion in federal tax benefits for capital investment in the District of Columbia Enterprise Zone. These include:

- an annual \$3,000 employer wage credit for each worker residing in the District;
- a zero percent capital gains tax rate on certain investment earnings;
- personal property expensing allowances ranging from \$38,500 to \$44,000;
- up to \$15 million in tax-exempt financing for each qualified capital project. For more information, contact the D.C. Revenue and Bond Program at (202) 727-2963.



WHO WE ARE

Congress created the Office of Superintendent of Insurance for the District of Columbia on March 3, 1901. In 1997 the Council of the District of Columbia passed a law creating the District of Columbia Department of Insurance and Securities Regulation (DISR) as a separate agency.

DISR has two missions, (1) to provide fair, efficient and fast regulatory supervision of insurance and securities businesses for the protection of the people of the District of Columbia, and (2) to create conditions that will retain and attract national and international insurance and other financial businesses to the District of Columbia.

FOR MORE INFORMATION CONTACT:

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GOVERNMENT OF THE DISTRICT OF COLUMBIA



DEPARTMENT OF INSURANCE AND SECURITIES REGULATION

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